

"I have told each of my Cabinet, as well as mayors and governors across the country, that they will be held accountable by me and the American people for every dollar they spend." –

President Barack Obama, 2/24/2009, Address to Joint Session of Congress

WASHINGTON. D.C. – A report released by the Inspector General (IG) for the Department of Transportation has raised questions surrounding projects that received stimulus dollars that were of "questionable economic merit," including an airport in Akiachak, AK that services 659 residents and received \$13.9 million, 659 residents) and another one in Ouzinkie, AK that received \$14.7 million that services 167 residents.

"Despite their promises, this Administration has failed to address the inefficient way in which the federal government administers and manages taxpayer dollars," said Issa, the Ranking Member of the House Committee on Oversight and Government Reform. "For far too long, the bureaucracy has been infected with a mentality that ignores waste, fraud, abuse and mismanagement. Federal agencies are being asked to absorb an unprecedented level of new funding and there is no way we can achieve fiscal solvency if we continue to look the other way while hundreds of billions of taxpayer dollars go unaccounted for and wasted."

The IG's report also notes that several recipients have received funds despite prior grant management problems, including cash management, procurement and suspensions and debarments, and allowable costs. The FAA admits to choosing projects that fall below its own established prioritization threshold in order to "achieve widespread geographic distribution of funds with each State receiving at least one ARRA grant." As the IG points out, geographic distribution is NOT a criteria imposed by the Recovery Act. The FAA is not only wasting money, but also ignoring the law.

The much-famed Murtha Airport actually received an FAA score of 70, higher than the 62 threshold for the stimulus. This IG report shows that more than 50 projects fell below the FAA's self-imposed score of 62, which means that many airport projects are being funded that are even more wasteful than the Murtha Airport.

Issa added, "It's always easy to be reckless and careless with other people's money, but when that money belongs to the American taxpayers – we have an obligation to utilize every means necessary to ensure that every dollar that is spent goes towards the stated purpose of creating jobs and stimulating our economy."

This level of waste is not surprising considering that on June 22nd of this year, the DOT IG reported that:

“The sampling for improper payments made to grant recipients in fiscal year (FY) 2008 was not credible due to an extremely small sample size and the lack of randomness in sample selection. Consequently, the test results do not accurately represent the seriousness and extent of the Department of Transportation’s (DOT) improper payments. Taxpayers deserve assurance that Federal dollars, including new funding disbursed under the American Recovery and Reinvestment Act of 2009 (ARRA), are being spent responsibly.”

<http://www.recovery.gov/sites/default/files/ARRA+Advisory+AA--2009--002--IPIA+Sampling+508.pdf>

